

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2714 - HB 2915

January 28, 2012

SUMMARY OF BILL: Defines “roofing contractor,” “nonresident contractor,” and “agent.” Requires a roofing contractor or agent to disclose specified information when contacting a person in Tennessee for the purpose of soliciting roofing goods or services, or when preparing a repair estimate where an insurance claim has been made or is anticipated. Requires disclosures to be made orally and in writing. Requires the contractor to maintain documentation of the disclosures for two years. Requires a contract for roofing repairs to contain an itemized estimate of costs and a disclosure that the solicited person is responsible for payment. Requires, before entering into a contract, the contractor or agent to provide the solicited person with a specified statement regarding the right to cancel the contract. Directs the means by which a solicited person may cancel a contract. Prohibits a contractor from requiring payments from proceeds of an insurance policy until the contract cancellation period has expired. Requires the contractor to return any payments to the solicited person within 10 days of the contract cancellation. Authorizes reasonable compensation if the contractor has performed any emergency services. Adds infringement of this section as a violation of the Consumer Protection Act, a Class B misdemeanor.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

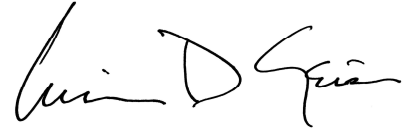
Assumptions:

- According to the Department of Commerce and Insurance, this bill will create another ground for which the Division of Consumer Affairs will investigate or mediate consumer complaints. This can be done within the Department’s existing resources without an increased appropriation or reduced reversion.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. The Tennessee Board for Licensing Contractors had closing balances of \$2,074,844 in FY10-11 and \$1,581,060 in FY09-10.
- There will not be a sufficient number of prosecutions for state or local governments to experience any significant increase in revenue or expenditures.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/sbh